

**New Construction or Substantial Rehabilitation of Nursing Homes, Intermediate Care Facilities, Board and Care Homes, and Assisted Living Facilities (Section 232);
Purchase or Refinancing of Existing Facilities (Section 232/223(f))**

FHA mortgage insurance to finance construction or rehabilitate nursing, assisted-living, intermediate care, board and care facilities, and insure fire safety equipment loans.

Nature of Program: FHA insures mortgages made by private lending institutions to finance construction or renovation of facilities to accommodate 20 or more patients requiring skilled nursing care and related medical services, or those in need of minimum but continuous care provided by licensed or trained personnel. Assisted living facilities and board and care facilities may contain no fewer than five one-bedroom or efficiency units. Nursing home, intermediate care, and board and care services may be combined in the same facility covered by an insured mortgage or may be in separate facilities. Major equipment needed to operate the facility may be included in the mortgage. Facilities for day care may be included. Existing projects are also eligible for purchase or refinancing with or without repairs (and not requiring substantial rehabilitation) under Section 232/Section 223(f). Nursing home operators are subject to new regulations adopted in 2012.

Applicant Eligibility: Developers, private owners, and private nonprofit corporations or associations, and public agencies (nursing homes only), or public entities that are licensed or regulated by the state to accommodate convalescents and persons requiring skilled nursing care or intermediate care, may qualify for mortgage insurance. Patients requiring skilled nursing, intermediate care, assisted living and/or board and care are eligible to live in these facilities.

Legal Authority: Section 232 of the National Housing Act (12 U.S.C. 1715w). Regulations are at 24 CFR part 200, subpart A, and part 232.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410.

Information Sources: Office of Healthcare Programs.
On the Web: www.hud.gov/healthcare

Current Status: Active.